INFORMATION LETTER

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FDA States Policy on Mold Count of Tomato Products

A new statement of policy with respect to control of rot in comminuted tomato products was published by the Food and Drug Administration in the *Federal Register* of July 20, 1951, and is reproduced on page 275. The statement of policy is of particular interest in its references to the mold count method, and the indication that increased attention will be given to evidence obtained by factory inspection of improper sorting and trimming of raw stock.

The mold count method has been widely used for many years as a factory control index in production of tomato products, but its significance in legal proceedings has long been a controversial subject. The present announcement indicates an intention to place emphasis on the observed condition of the raw stock, whether or not it is reflected in the mold count of the finished product.

House Nears End of Debate On Defense Act Amendments

House debate of amendments to the Defense Production Act was scheduled to terminate this week after 12 working days of heated discussion. Although the House refused to approve an anti-rollback provision applicable to all commodities, it did vote by a substantial margin to limit rollbacks on agricultural commodities. Also by a substantial vote, the House wrote into its bill cost and profit criteria that OPS would be required to recognize in establishing or maintaining ceiling prices on manufactured or processed items of material. In addition, the House voted to maintain the July 7 ceilings on prices, wages, and salaries for 120 days, except for agricultural commodities selling below parity.

The Senate, when it considered Defense Production Act amendments, adopted language banning rollbacks on all commodities below (a) the price prevailing immediately before the issuance of a regulation or (b) the price

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NPA Plans To Issue Can Order Covering Year's Operations

An amendment to the can order, M-25, which would establish yearly quotas instead of quarterly quotas, is being considered by the National Production Authority.

Such an order is being planned for issuance beginning with the third quarter of this year. It was discussed July 18 by NPA with its Can Manufacturers Industry Committee, which was invited to offer its recommendations on the proposal at a meeting July 25.

At the July 18 meeting, NPA discussed a proposed amendment to M-25 which would establish quotas and preference ratings on the use of cans made of black plate. NPA said that it is questionable, on the basis of orders already placed, whether there will be enough steel for can manufacturers to make full deliveries to the extent now permitted under M-25.

The following recommendations were made by the committee:

(1) That the industry watch its own stockpile inventories to guard against partial or total depletion; (2) that NPA make a thorough survey of the entire tin supply situation; and (3) that NPA determine what proportion of current domestic production is being exported and what amounts of foreign tin could be imported.

NPA said that the industry had been given rapid tax amortization certificates for expansions amounting to $1,900,000.

Canned Foods Carloading

Canners applying for a 30-day special permit under the ICC heavy carloading Order 878 are advised to specify the exact location of the cannery and the name of the serving railroad or railroads. By supplying full information, the issuance of the special permit is considerably expedited, according to advice from Howard S. Kline, ICC Permit Agent.

Mr. Kline also asked that canners receiving the special permits load cars as heavily as possible in order to utilize available freight cars effectively.

FTC To Survey Canners' Compliance with NPA Order

The start of a five-week survey of the canning industry's compliance with NPA orders and regulations was announced July 18 by Manly Fleischmann, Administrator of the National Production Authority.

The survey will cover first-half 1951 business operations of about 350 packers and distributors of canned fruits, vegetables, fish, meat and other food and nonfood products—a representative group of large, medium and small companies geographically scattered throughout the United States.

Federal Trade Commission investigators will conduct the survey under NPA's direction.

"Mr. Fleischmann said the survey is being made to determine the can-

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N.C.A. Offers Solution To Pricing Confusion

Howard T. Cumming, chairman of the N.C.A. War Mobilization Committee, called the chairmen of the subcommittees for a conference on Wednesday, July 18, to discuss the acute canned foods marketing situation arising from OPS' decision not to issue price regulations until Congress has passed the new Defense Production Act. After communication with other members of the War Mobilization Committee, it was agreed to request OPS officials to issue immediately the new fruit and vegetable ceiling price regulation, and simultaneously to grant canners the option of using either the new regulation or GCPR, such option to remain in effect until the new law is finally enacted and OPS has modified its regulation with the new Act.

(Please turn to page 274)

THE CANNED PEA REGULATION was signed yesterday, July 20, by Price Stabilizer DiSalle. The price order will be issued July 25 as CPR 55.

DEFENSE

Questions and Answers on GOR 13

A series of questions and answers on GOR 13, which applies to the General Manufacturers Regulation, CPR 22, has been issued by the Office of Price Stabilization.

The questions and answers were issued, OPS said, to enable a manufacturer to determine whether CPR 22 or a companion regulation affected him on June 30, 1951, and to answer other questions raised generally.

The text of GOR 13 was reproduced in the INFORMATION LETTER of July 7, page 260, and was briefly interpreted on page 261. An interpretation of GOR 13, issued by OPS, was reproduced in the LETTER of July 14, page 264. Following is the text of the questions and answers on GOR 13 subsequently issued by OPS:

1. Q. I filed a Form 8 under CPR 22 before June 30, 1951. Is CPR 22 automatically in effect as to me on June 30?

A. No. The act of filing is not in itself sufficient to establish that the regulation was in effect as to you. You must have exercised your option to have put the regulation into effect as to you on or before June 30. (See Question 2.)

2. Q. How may I show that I put CPR 22 into effect as to me on or before June 30, 1951?

A. By showing that on or before June 30 you had both complied with all the requirements of the regulation, and had taken action to put it into effect prior to July 1, either by making price increases pursuant to CPR 22 effective prior to July 1, through sales, deliveries, etc., or by other action, such as actual written notification to OPS, or to your customers, that you were putting the regulation into effect prior to July 1, 1951.

3. Q. My Form 8 showing price increases was received by OPS on June 20. In view of the fact that I filed my reports prior to June 30, may I sell under CPR 22 at the higher price on July 6 after the 15-day waiting period has elapsed?

A. No. If all you did was to file your Form 8 on June 20, you continue pricing under the GCPR. In order to put CPR 22 into effect in the case of a price increase your Form 8 must have been filed more than 15 days prior to selling at the increased price. Therefore, the higher ceiling price under CPR 22 was not in effect on June 30 if the Form 8 was received after June 14. If it was not in effect as to you on June 30, it cannot now be made effective simply because the 15-day waiting period has now elapsed.

4. Q. I put price increases into effect pursuant to CPR 22 on June 30 for a few of my commodities covered by that regulation. Must I price under GCPR other commodities manufactured by me and covered by CPR 22 but which I did not sell prior to July 1 at CPR 22 prices?

A. No. If you put CPR 22 into effect on or before June 30 for some of your commodities then the regulation was in effect on June 30 as to you for all of your commodities covered by that regulation. In that event you must price all such commodities under CPR 22, with respect to both price increases and decreases. You must file Form 8's as to all such commodities before making sales, and comply with the 15-day waiting period on all price increases.

5. Q. I filed a Form 8 proposing a price increase and the 15-day period expired before June 30, but I did not put the higher price into effect before July 1 because of a soft market in my product. May I now use the higher ceiling price under CPR 22?

A. No. Selling at a price below your CPR 22 ceiling price does not of itself establish the exercise of your option to put CPR 22 into effect prior to July 1. A soft market may be one of a number of reasons for not exercising the option.

6. Q. Would one sale, offer or delivery made on June 29 at my increased price under CPR 22 suffice to establish the fact that I exercised my option to put CPR 22 into effect on or before June 30?

A. Yes, if made in good faith pursuant to CPR 22 with the intention to put CPR 22 into effect at that time.

7. Q. CPR 22 was in effect as to me on June 30, 1951 for commodities A, B, and C. Now I propose to sell commodity D, which is covered by CPR 22, for the first time. Should I price commodity D under CPR 22?

A. Yes. Since CPR 22 was in effect as to you on June 30 it was in effect as to you for all its provisions, including rollbacks, adjustments, supplementary regulations, filing, etc. Commodities sold by you for the first time must therefore be priced under CPR 22.

8. Q. Some manufacturers filed Form 8's under CPR 22 as to increases before June 15. However OPS requested additional information before June 30, so that the manufacturers were not using their increased prices under CPR 22 for the commodities covered by the questioned filings. May CPR 22 be used to price these commodities, if:

(a) All the Form 8's filed by a manufacturer had been questioned?

(b) Only some of the Form 8's filed by a manufacturer had been questioned?

A. (a) No. If all Form 8's had been questioned and none of the increased prices could have been charged on or before June 30, then CPR 22 was not in effect as to such a manufacturer on or before June 30, so that he uses GCPR for all his commodities.

(b) Yes, if the manufacturer had put CPR 22 into effect for some commodities on or before June 30. In such case, CPR 22 was in effect as to him for all his commodities even though OPS has stopped the proposed increases for other commodities. His other commodities must be priced under CPR 22 and he may charge the ceiling price as approved by OPS.

9. Q. On June 20, 1951 I filed Form 8's under CPR 22 for both increases and decreases. At the same time I printed new price lists showing these CPR 22 prices. The new price lists were issued to my salesmen on June 20 with written instructions that all sales were to be made immediately at the prices decreased pursuant to CPR 22. The increased prices were to become effective on July 6, after the 15-day waiting period had elapsed. Was CPR 22 in effect as to me on June 30, and may I now charge the higher prices?

A. Yes. The above facts show that you intended to and did put CPR 22 into effect on or before June 30.

10. Q. I had filed Form 8's showing my new CPR 22 prices on July 14, but had not started using these new prices before July 1. I did, however, announce before July 1 that the new prices were to be effective July 3. May I now use these prices under CPR 22?

A. No. Your announcement that your new price list was to become effective on July 3 shows that you did not intend to put CPR 22 into effect on or before June 30. Such an announcement is only an advance arrangement for future deliveries which were to be covered by ceilings in effect at the time of deliveries.

11. Q. On June 14 I mailed my Form 8 under CPR 22 covering price increases but the Form was not received by OPS until June 15. Do I consider my Form filed on June 14 or June 15? How would I know the date of receipt by OPS?

A. The date of filing is June 15, the date of receipt by OPS and *not* the date of postmark. Your registered mail return receipt or other acknowledgment by OPS would show the date on which your Form 8 was received.

12. Q. If I filed as to a price increase under CPR 22 on June 15, wouldn't the 15-day waiting period have expired on June 29 so that I could use the higher price on June 30?

A. No. Section 48 of CPR 22 states that you "must wait 15 days *after* the

date of receipt" by OPS before using the higher price. Thereafter you may sell at the increased price "at the *end* of that 15-day period." Thus, you must wait 15 days after June 15, which carries you through June 30, and you could not sell at the increased price on June 30.

13. Q. How are manufacturers affected by supplementary regulations to CPR 22?

A. If CPR 22 was in effect as to you on June 30, then it was in effect for all its provisions, including amendments and supplementary regulations thereto.

14. Q. Will OPS continue during July to process Form 8's filed before July 1 under CPR 22? Is the answer the same as to filings made on or after July 1?

A. Yes, as to both questions. If CPR 22 was in effect as to you on June 30, 1951 OPS will continue to process your Form 8's in the usual way whether filed on, before, or after July 1.

If CPR 22 is not in effect as to you on June 30, OPS will nevertheless continue to process your Form 8's regardless of your date of filing. Such processing is intended, however, only to expedite the establishment of your ceiling prices under CPR 22 at such time as CPR 22 may be made effective as to you by future action of OPS. The processing would not make CPR 22 effective as to you and you could use your CPR 22 prices only after future action by OPS making CPR 22 effective as to you.

15. Q. CPR 22 was not in effect as to me on June 30. Inasmuch as GOR 13 says only "you *need* not" file Form 8's after June 30, may I file now and count the 15-day waiting period thereafter?

A. Yes. However, you would not be able to use your CPR 22 prices until CPR 22 is made effective as to you by future OPS action. In the case of increases, your GCPR ceiling prices will continue even after the expiration of the 15-day period if such future action was not taken by OPS prior to that time.

MRO Supplies

Maintenance, repair and operating supplies composed of controlled materials may be obtained under the government's priorities system by all canners, the form of certification depending on each canner's accounting practice.

With issuance of CMP Reg. 5 on July 9, the National Production Authority authorized businesses requiring supplies of controlled materials (steel, copper and aluminum) as maintenance, repair and operating supplies to place orders upon their own certification, using the symbol "MRO." Orders for maintenance, repair and operating supplies other than controlled materials must bear the symbol "DO-MRO."

However, the self-certification under "MRO" and "DO-MRO" may be used only for the procurement of those items which were listed on the firm's account as MRO supplies as of December 31, 1950 (see INFORMATION LETTER of July 14, page 265, and the text of CMP Reg. 5).

By Direction 1 to CMP Reg. 1, the NPA authorized other businesses requiring small quantities of controlled materials as MRO supplies to obtain necessary supplies by self-certification with another symbol, "DO-SU."

For canners who did not list stitching wire, for example, as an MRO supply as of December 31, 1950, the use of the "DO-SU" will enable them to order necessary MRO supplies using controlled materials.

For example, the "DO-SU" provides a canner with a rating to obtain stitching wire or other essential products not obtainable under CMP Reg. 5. Both knocked-down cartons and steel staples are "B" products under the CMP classification, and a canner's action in assembling the carton for his canned foods places him in the category of a manufacturer of cartons, in the view of NPA, and thus entitles him to use the "DO-SU."

Following is the full text of Direction 1 to CMP Reg. 1:

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter VI—National Production Authority, Department of Commerce

[CMP Regulation 1, Direction 1]

CMP REG. 1—BASIC RULES OF THE CONTROLLED MATERIALS PLAN

DIR. 1—PROCEDURE FOR OBTAINING MINIMUM QUANTITIES OF MATERIALS BY PRODUCERS OF CLASS B PRODUCTS

This direction under CMP Regulation No. 1 is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950. In the formulation of this direction, consultation with industry representatives has been rendered impracticable due to the need for immediate action and because the direction affects many different industries.

SECTION 1. *What this direction does.* This direction constitutes a determination by the National Production Authority that producers of certain class B products shall not be required to submit applications on Form CMP-4B if their total requirements of controlled materials do not exceed a certain maximum. It also establishes a procedure whereby such producers may place authorized controlled material orders for such materials without obtaining an allotment. Such producers shall be subject to all CMP regulations and orders.

SEC. 2. *Persons affected by this direction.* A producer of a class B product which is listed in the "Official CMP Class B Product List" and which is not identified by an asterisk is not required to submit an application on Form CMP-4B with respect to such product for any calendar quarter in which his total requirements of each kind of controlled material for the production of that product and all other products in the same product class do not exceed the amounts specified below:

Carbon steel (including wrought iron)	5 tons.
Alloy steel (except stainless steel)	½ ton.
Stainless steel	none.
Copper and copper-base alloy brass mill products, copper wire mill products, copper and copper-base alloy foundry products and powder	500 pounds.
Aluminum	500 pounds.

The term "product class" as used herein means a Product Class Code as shown in the "Official CMP Class B Product List."

SEC. 3. *Use of allotment symbol to obtain controlled materials.* Any producer of class B products who is not required to file a Form CMP-4B by reason of this direction is authorized to use the allotment symbol SU on delivery orders for controlled materials within the limits set forth in section 2 of this direction. An order so designated, when certified as provided in section 5 of this direction, shall constitute an authorized controlled material order. The quantity of such class B products which may be produced with controlled materials obtained with the use of the allotment symbol SU plus controlled materials properly contained in inventory shall constitute an authorized production schedule for the purpose of all CMP regulations.

SEC. 4. *Use of rating to obtain production materials other than controlled materials.* Any producer of class B products who is not required to file a Form CMP-4B by reason of this direction is authorized to use the rating DO–SU on delivery orders for production materials as defined in CMP Regulation No. 3 in accordance with the provisions of that regulation.

SEC. 5. *Certification.* Every delivery order placed under the provisions hereof shall contain, in the case of an order for controlled materials, the certification required by section 19 of CMP Regulation No. 1, or, in the case of an order for production materials other than controlled materials, the certification required by section 6 of CMP Regulation No. 3.

(Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong.; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61)

This direction shall take effect on June 8, 1951.

NATIONAL PRODUCTION AUTHORITY,
MANLY FLEISCHMANN,
Administrator.

Canners' Compliance

(Concluded from page 271)

ning industry's understanding of and compliance with NPA Order M-25 and Regulations 2 and 4," according to the NPA announcement.

Order M-25, issued January 27, 1951, restricts the use of cans made of tin plate and terneplate and provides specifications for their production. The order was issued to conserve tin for national defense requirements.

Regulation 2, issued October 3, 1950, set up basic rules for NPA's priority system to assure preference for defense and defense-supporting production. Regulation 4, issued February 27, 1951, authorized the use of a DO-priority rating for procurement of maintenance, repair, and operating supplies.

These points will be emphasized in the canning industry compliance survey: (1) inventory position; (2) use of materials; (3) certifications for delivery of cans; (4) applications for adjustment or exception; (5) treatment of DO-rated orders; and (6) record-keeping as required by NPA orders and regulations.

The canning industry survey will be NPA's fourth major compliance study. Other surveys covered 330 representative aluminum companies; 345 representative producers of copper and copper-base alloy products; and the use of DO-priority ratings for MRO supplies by 900 representative companies in a cross-section of the nation's industries and trades.

The surveys have indicated that U. S. industry's compliance with NPA orders and regulations is "generally good," NPA officials reported. The agency is now investigating individual cases of non-compliance. Where companies failed to comply with NPA orders and regulations because of misunderstanding, the agency is instructing company executives in proper compliance with orders. Where deliberate violations are uncovered, NPA is referring the cases to the Department of Justice for prosecution, it was announced.

[Issuance of NPA Regulation 2 was reported by the N.C.A. in the INFORMATION LETTER of Oct. 7, 1950, page 293, and was further reported on in the issues of Oct. 28, 1950, page 305, and Nov. 25, 1950, page 326.

[The text of NPA Regulation 4 was reproduced by N.C.A. as a Supplement to the INFORMATION LETTER of Feb. 28, 1951. Amendments were reported in the issues of April 21, 1951, page 176; May 5, 1951, page 190; and May 26, 1951, page 215. NPA Regulation 4 was revoked as of July 6 and was superseded by CMP Reg. 5, which was reproduced by N.C.A. and mailed as a Supplement to the issue of July 14.

[The N.C.A. has published the can order, M-25, and all amendments, the most recent being that of July 1, which was mailed as a Supplement to the INFORMATION LETTER of June 30.]

N.C.A. Offers Solution

(Concluded from page 271)

This request was formally presented to Edward F. Phelps, Assistant Director of Price Stabilization, Thursday afternoon, July 19, by a subcommittee of the War Mobilization Committee headed by the chairman.

The committee pointed out to Mr. Phelps the necessity for clarifying the pricing status of canned fruits and vegetables now being packed so as to relieve an acute warehousing and financing problem, and to prevent the further development of a chaotic marketing condition now developing resulting from OPS' inaction which has contributed to pricing confusion within the industry.

INSPECTION

USDA Inspection Fees

Revisions of inspection fees and sampling rates for processed fruits and vegetables and their processed products, effective July 23, have been announced by the U. S. Department of Agriculture.

The revisions are generally concerned with increases in inspection fees and changes in the number of samples required for inspection purposes (see INFORMATION LETTER of July 7, page 259).

Defense Production Act

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prevailing during the period January 25-February 24, 1951, unless the ceiling price reflected increases or decreases in actual factory or labor costs and reasonable allowances for other costs occurring after that period.

The final drafting of a new controls law, however, probably will be in the hands of a joint House and Senate conference committee. This group will have rather broad latitude in combining the different and conflicting provisions of the Senate and House bills into one measure satisfactory to both houses.

The Senate-passed provision dealing with rollbacks and costs and profits and which will be subject to conference committee action is quoted:

"After the enactment of this paragraph no ceiling price shall become effective which is below either (A) the price prevailing just before the date of issuance of the regulation or order establishing such ceiling price, or (B) the price prevailing during the period January 25, 1951, to February 24, 1951, inclusive. Nothing in this paragraph shall prohibit the establishment or maintenance of a ceiling price with respect to any material (other than an agricultural commodity) which is based upon a period prior to January 25, 1951, if such ceiling price reflects adjustments for increases or decreases in actual factory and labor costs, including reasonable allowances for other costs occurring subsequent to such period."

The House-approved limitations on rollbacks, which still are subject to final House action, are quoted:

"No ceiling shall be established or maintained for any agricultural commodity below 90 per centum of the price received (by grade) by producers on May 19, 1951, as determined by the Secretary of Agriculture. . . .

"It shall be unlawful to establish or maintain any ceiling price applicable to manufacturers or processors for any item of material if such ceiling price is fixed and maintained at less than the sum of the following:

"(1) The current cost of the material used therein computed on a delivered basis, (except that the cost of any agricultural commodity used therein shall be computed on the basis of the current cost or the price specified in section 402(d)(3), of the commodity delivered to the manufacturer or processor, whichever is greater);

"(2) All costs currently incurred in the processing or manufacturing operation and distribution of such item, including an allowance for such indirect costs as may reasonably be attributable to such item of material;

"(3) A reasonable profit (which for each unit of such item shall be not less than 85 per centum of the average profit earned on an equivalent unit of such item during the three most profitable years of the period 1946 to 1949, both inclusive): *Provided*, That if specific dollars and cents ceilings applicable to manufacturers or processors are established for any such item of material and made generally applicable, the costs and profits referred to in paragraphs (1), (2) and (3) of this subsection, for each item of such material, shall be computed by using a weighted average of such costs and profits of the individual processors or manufacturers of such item."

STANDARDS

FDA Statement of Policy on Mold Count of Tomato Products

Following is the text of the statement of policy by the Food and Drug Administration with respect to comminuted tomato products, which was published in the *Federal Register* of July 20:

TITLE 21—FOOD AND DRUGS
Chapter I—Food and Drug Administration, Federal Security Agency
PART 3—STATEMENTS OF GENERAL POLICY OR INTERPRETATION
COMMINUTED TOMATO PRODUCTS CONTAINING ROTTEN TOMATO MATERIAL

Pursuant to section 3 of the Administrative Procedure Act (60 Stat. 237, 238; 5 U. S. C. 1002), the following statement of policy is issued:

§ 3.24 *Notice to packers of comminuted tomato products.* It has long been known that tomato rot may be caused by one or more of the following: fungus diseases, bacterial diseases, virus diseases, and certain nonparasitic diseases. Only the fungus rots are characterized by the presence of mold filaments. Mold counts on comminuted tomato products are not increased by incorporating within the product tomato rot caused by bacteria, virus, or nonparasitic factors. Although high mold counts on these products reveal that large amounts of rotten material are present, low mold counts do not necessarily demonstrate absence of the type of rot caused by the tomato diseases that are not characterized by mold filaments.

Inspections of canneries engaged in the packing of comminuted tomato products show that most packers effectively trim, sort out, and discard rotten tomatoes from the raw stock. Some packers, however, do not properly eliminate rotten tomato material, and a few packers deliberately use rotten tomatoes in these foods, provided the mold count remains low. Some packers, on occasion, have mixed tomato products having a high mold count with tomato products containing little or no mold, so as to produce a blend with a low mold count.

Packers of comminuted tomato products who rely upon the mold count as the sole or primary control procedure, to the neglect of adequate sorting and trimming, may produce products with low mold counts which contain substantial amounts of rot.

It is the purpose of this announcement to advise all canners of tomato products that:

(a) Although high mold count is conclusive evidence of inclusion of substantial amounts of rot, mold count is not the only way of establishing that comminuted tomato products contain decomposed tomato material.

(b) Where factory observations or other evidence reveals that comminuted tomato products contain rot not caused by mold, such rot, as well as that caused by mold, will be taken into account in applying the provisions of the Federal Food, Drug, and Cosmetic Act against adulteration.

(c) The blending of tomato products adulterated with tomato rot, of whatever kind, with tomato products made from sound tomatoes, or with other sound food, renders the blend adulterated.

(Sec. 701, 52 Stat. 1055; 21 U.S.C. 371)

Dated: July 16, 1951.

[SEAL] JOHN L. THURSTON,
Acting Administrator.

Grades for Canned Beets

The Production and Marketing Administration, USDA, proposes to revise U. S. standards for grades of canned beets. Text of the proposed revision was published in the *Federal Register* of July 18.

RAW PRODUCTS

Court Requires Grower To Deliver on Contract

A recent decision of the Federal District Court for the Northern District of California, Southern Division, rendered on June 19, has affirmed the rule that a canner can get "specific performance" of a fair grower contract. While the decision is necessarily limited to the particular facts of the case and is controlling only in respect to crop contracts entered into in the State of California, it is of interest to canners generally as an indication of current legal thinking in this field (see INFORMATION LETTER No. 1219, Jan. 26, 1949, page 51).

By the terms of the contract involved in this case, the defendant grower had promised to sell, and the plaintiff canner had promised to buy, all of the peaches produced by the defendant during the seasons 1949 to 1953, inclusive, at the average price paid by plaintiff to growers in that county in the current season of delivery. When the defendant grower discovered that he could obtain higher prices for his peaches during the summer of 1950 by sale on the open market than he could by deliveries pursuant to his contract with the plaintiff, he sold a portion of his 1950 crop elsewhere. Plaintiff sought "specific performance" of the contract, *i.e.*, a mandatory order from the court requiring the grower to deliver the crop to the canner and prohibiting him from selling it to anyone else.

In granting specific performance, the court expressed the view that the provision for determining the price to be paid for the peaches was not unfair to the grower, and that, under general principles of equity, "a contract for delivery of goods will be specifically enforced, when by its terms the deliveries are to be made and the purchase price paid in installments running through a considerable number of years."

The court did not rule on the question of whether the canner would have been restricted to his remedy at law of damages if the contract had been one calling only for a single delivery of a season's crop then on hand.

Invitations for Bids

Quartermaster Purchasing Offices—111 East 16th Street, New York 3, N. Y.; 1819 West Pershing Road, Chicago 9, Ill.; Oakland Army Base, Oakland 14, Calif.

Veterans Administration—Procurement Division, Veterans Administration, Wash. 25, D. C.

The Walsh-Healey Public Contracts Act will apply to all operations performed after the date of notice of award if the total value of a contract is $10,000 or over.

The QMC has invited sealed bids to furnish the following:

SHRIMP—4,845 5-oz. cans, f.o.b. destination. Bids due in New York under QM-30-280-52-24 by July 30.

The Veterans Administration has invited sealed bids to furnish the following:

PEA PUREE—9,000 dozen No. 2 cans, f.o.b. destination. Bids due under S-15 by July 25.

APRICOTS—5,250 dozen No. 2 cans, water pack (Grade B) and 3,000 dozen No. 10 cans, solid pack (Grade D), or equivalents in other size cans, f.o.b. destination. Bids due under S-17 by July 30.

GRAPEFRUIT JUICE—18,750 dozen 46-oz. cans (natural, Grade A), or equivalent in No. 10 cans, f.o.b. destination. Bids due under S-18 by July 31.

BOYSENBERRIES—3,500 dozen No. 10 cans, water or pie grade, or equivalent in No. 2½ or No. 2 cans, f.o.b. destination. Bids due under S-19 by Aug. 1.

PIMIENTO PIECES—2,000 dozen No. 2½ cans, or equivalent in other size cans, f.o.b. destination. Bids due under S-20 by Aug. 1.

GRAPES (Thompson's seedless)—3,250 dozen No. 10 cans (Fancy), or equivalent in No. 2 or No. 2½ cans, f.o.b. destination. Bids due under S-21 by Aug. 2.

JAMS AND JELLIES—quantities of No. 10 cans of apricot, cherry, grape, plum and raspberry jams, and crabapple and grape jellies (Grade B), f.o.b. destination. Bids due under S-22 by Aug. 6.

LABOR

Farm Labor Supply

In approving the farm labor supply bill, S. 984, as P. L. 78, the President told Congress that it should repeal the provision in the law authorizing employment of Mexican workers in food processing trades.

The President's message transmitted recomendations for legislation to implement the farm labor supply act. The President also stated his sole objection to the law, as follows:

"There is one provision of S. 984 which could interfere quite seriously with our efforts to maintain labor standards in this country. This is the provision which so defines agricultural employment as to allow the Secretary of Labor to bring in Mexican workers for employment in food-processing trades as well as on the farm. It is essential that we keep the importation of Mexican workers from reducing the job opportunities or working conditions of our own citizens employed in these trades. To that end, I believe the Congress should repeal this provision. In the meantime, it will be necessary for the Secretary of Labor to use his discretion with great care and to authorize the employment of Mexican workers in these trades only in case of some genuine, unmistakable emergency."

PUBLICITY

N.C.A. at A.H.E.A. Convention

Katherine R. Smith, Director of the N.C.A. Home Economics Division, and Moselle Holberg, Editorial Home Economist, attended the American Home Economics Association Convention, in Cleveland, Ohio, June 25-30.

Following the convention, the July 1 issue of the pictorial magazine section of the *Cleveland Plain Dealer* carried an article on eight outstanding home economists among the 3,266 who attended the convention. One of the pictures in the article by Helen Robertson, food editor, showed Miss Smith in the N.C.A. kitchens, and was captioned, "Katherine Smith directs the Home Economics Division of the National Canners Association which represents the food canners of the country. Miss Smith's department tests canned foods, and all recipes that go into the recipe booklets. Shown here, the taste panel at work, with Miss Smith standing by taking notes."

1951 Canning Trade Almanac

The Canning Trade Almanac for 1951, a comprehensive reference manual on the canning industry, has been issued by *The Canning Trade*, 20 S. Gay St., Baltimore 2, Md. Copies are sold for $2 each.

The almanac contains statistics on canned food packs and other aspects of the industry, food laws and regulations, recommended can sizes and box dimensions, labeling requirements, guides to machinery and supplies, and other statistical and historical data of concern to the industry.

SUPPLIES

Shipments of Glass Containers

Shipments of wide-mouth glass containers for food amouted to 2,522,944 gross in May as compared with 2,217,379 gross in April and 2,330,678 gross in May last year, according to a report by the Bureau of the Census, U. S. Department of Commerce. Shipments of narrow-neck food containers amounted to 999,160 gross in May as compared with 1,066,740 in April and 1,274,295 gross in April last year.

	Jan. through May	
	1950	1951
	(quantities expressed in gross)	
Wide-mouth food (including fruit jars and jelly glasses)	10,355,601	11,347,888
Narrow-neck food	4,244,984	4,926,444

STATISTICS

Canned Meat Report

The quantity of meat canned and meat products processed under federal inspection during the four-week period June 3-June 30 is reported by the Bureau of Animal Industry, USDA, as follows:

Canned Meat and Meat Products Processed Under Federal Inspection June 3–June 30, 1951*

	3 lbs. & over	Under 3 lbs.	Total
	(in thousand pounds)		
Luncheon meat	18,850	9,428	28,278
Canned hams	13,510	1,961	15,471
Corned beef hash	402	3,826	4,228
Chili con carne	569	2,362	2,931
Vienna sausage	67	4,165	4,232
Frankfurters and weiners in brine	6	2,143	2,149
Deviled ham	.....	828	828
Other potted and deviled meat products	17	2,609	2,626
Tamales	45	965	1,010
Sliced, dried beef	14	278	292
Liver products	.....	197	197
Meat stew	9	4,277	4,286
Spaghetti meat products	43	3,805	3,848
Tongue (except pickled)	36	266	302
Vinegar pickled products	1,057	1,572	2,629
Bulk sausage	.....	4,964	4,964
Hamburger	566	4,057	4,623
Soups	1,149	25,169	26,318
Sausage in oil	234	121	355
Tripe	4	297	301
Brains	.....	256	256
Bacon	150	1,298	1,448
All other products 20% or more meat	247	5,500	5,747
All other products less than 20% meat (except soup)	125	10,459	10,584
Total all products	37,099	90,803	127,902

* Columns do not add to total shown in all case since rounded figures are used.

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